GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3413
ANSWERED ON:04.08.2017
Tax Collection at Source
Nagar Shri Rodmal;Yadav Shri Om Prakash

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided not to deduct Tax Collection at Source (TCS) from the e-Commerce companies before the receipt of payment;
(b) if so, the details thereof and the reasons therefor; and
(c) the benefit likely to be accrued to general public through this system?

Answer

MINISTER OF STATE FOR FINANCE
(SHRI SANTOSH KUMAR GANGWAR)
(a) No Sir. Tax collection at source will be at the time of payment. However, the empowering section of the Central Goods and Services Tax Act, 2017 has not yet been notified as decided by the Goods and Services Tax Council.
(b) Does not arise in view of reply to part (a) above.
(c) The benefit likely to accrue from this provision is that there would be minimal tax leakage and the Government will have a record of all supplies made through an e-commerce operator.
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